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THE SITUATION ROOM

Interview With Former CIA Director George Tenet; Army: Joan Baez Not Banned; Inside Reagan's Mind: New Diary Excerpts

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WOLF BLITZER, HOST: And to our viewers, you're in THE SITUATION ROOM. Happening now, President Bush and Congress back to square one on Iraq.

But is the president now setting a lower standard for victory?

He's accused of having blood on his hands. Now, George Tenet is fighting back. My one-on-one interview with the former CIA director. That's coming up.

And inside the mind of Ronald Reagan -- a new look at his presidential diaries. Stunning details of the assassination attempt, a nuclear stand-off and stand-offs with his own children.

I'm Wolf Blitzer.

You're in THE SITUATION ROOM.

U.S. troops back on the offensive in the Shiite slums of Baghdad, a day after the president's veto of a withdrawal timetable. The U.S. military says three more soldiers died today, bringing the war's total for U.S. troops to 3,355.

For the president and the Democrats, it was back to square one on Iraq. Congress today failed to override that presidential veto. The two sides now trying to stake out some common ground for a potential compromise.

Let's go to our White House correspondent, Ed Henry -- Ed, what's next?

ED HENRY, CNN CONGRESSIONAL CORRESPONDENT: Well, Wolf, what's next is all sides are trying to find a deal here. They started those talks at the White House this afternoon. But no breakthrough.

Instead, what might be more noteworthy about today is the fact that the president tried to lower the bar for success in Iraq.

(BEGIN VIDEO TAPE)

GEORGE BUSH, PRESIDENT OF THE UNITED STATES: The definition of success, as I described, is, you know, sectarian violence down. What -- it -- success is not no violence. There are parts of our own country that, you know, have got, you know, a certain level of violence to it.

HENRY (voice-over): Tony Snow had difficulty explaining that.

SUZANNE MALVEAUX, CNN WHITE HOUSE CORRESPONDENT: ... define an acceptable level of violence?

TONY SNOW, WHITE HOUSE PRESS SECRETARY: I will...

MALVEAUX: I mean how can that possibly be defined?

SNOW: That's a very good question and I don't have an answer.

HENRY: A far cry from what the president was saying one year ago this month.

GEORGE BUSH, PRESIDENT OF THE UNITED STATES: I think the point is how do we achieve our objectives, which is a democracy which can defend itself, sustain itself, a country which is an ally in the war on terror and a country which serves as a powerful example for others who desire to be free.

HENRY: Snow insisted there has been no shift.

SNOW: ... of success is still an Iraq that can sustain, govern and defend itself. It's one where you will have levels of violence that will not jeopardize the ability of the government to function on an ongoing basis.

HENRY: But with violence in Baghdad getting worse, the president's evolution has been stark. At a press conference shortly before the November election, he was asked if the U.S. was winning in Iraq.

BUSH: Absolutely, we're winning.

HENRY: New defense secretary, Robert Gates, readjusted that in December.

SEN. JOHN MCCAIN (R), ARIZONA: We are not winning the war in Iraq, is that correct?

ROBERT GATES, SECRETARY OF DEFENSE: That is my view, yes, sir.

HENRY: Now, the president says winning is an open question.

BUSH: Slowly but surely, the truth will be known. Either we'll succeed or we won't succeed.

HENRY: The president's most immediate concern is working out a deal on the war funding bill he voted Tuesday.

BUSH: Yesterday was a day that highlighted differences. Today is a day where we can work together to find common ground.

(END VIDEO TAPE) HENRY: Now, the president also revealed he's appointed his chief of staff, Josh Bolten, as well as two other top aides, Stephen Hadley and Rob Portman, to get up to Capitol Hill and try to work this out. They're going to have a meeting in the Senate starting tomorrow.

But the bottom line is the president is still not giving in on a timetable for withdrawing U.S. troops while Democrats still insist that has to be in the war funding bill. So there's no compromise in sight -- Wolf.

BLITZER: The negotiations will continue, though.

Thanks very much.

Ed Henry at the White House.

U.S.-led forces are angering a key ally in the war on terror. Dozens of Afghan civilians have died in recent days during raids against the Taliban.

Afghanistan's leader now warning that patience in his country is wearing very, very thin.

Let's go to our CNN correspondent Brian Todd -- Brian, what is this all about?

BRIAN TODD, CNN CORRESPONDENT: Wolf, it's about a real upsurge in fighting in recent weeks between U.S.-led forces and the Taliban. Several reports of non-combatants caught in the crossfire and a resentment among Afghans that has now reached critical "mission accomplished" speech.

(BEGIN VIDEO TAPE)

TODD (voice-over): One of America's most crucial allies in the war on terror fed up with how U.S. and NATO-led forces are fighting the Taliban in his country.

PRES. HAMID KARZAI, AFGHANISTAN: We can no longer accept civilian casualties the way they occur. It's becoming to be heavy for us.

TODD: How heavy?

A U.N. official in Afghanistan tells CNN they have credible reports that 49 civilians were killed in a brutal fight last weekend near the western city of Herat. One injured man gives his account of who the casualties were.

UNIDENTIFIED MALE (THROUGH TRANSLATOR): There were no Taliban. Ten of my relatives have been killed.

TODD: A U.S. officer said there were many Taliban killed in that battle.

Contacted by CNN, an officer with NATO's International Security Assistance Force in Afghanistan, also speaking for U.S. forces, says: "We have no specific confirmation of any civilian casualties. It, of course, remains a possibility. And we appreciate President Karzai's words and we're making inquiries into the incidents."

There have been many incidents. One U.S. officer in Afghanistan tells us Taliban extremists "have been fighting more than fleeing in recent weeks, as U.S. and NATO forces stepped up operations, battles that have clearly raised concern at the highest levels over how aggressively this war should be fought and how to approach those caught in the crossfire.

That U.S. officer says it often takes time after a battle to determine who the civilians are among the dead and wounded.

And this from Michael Scheuer, who once headed the CIA unit assigned to go after Osama bin Laden.

MICHAEL SCHEUER, FORMER CIA OFFICER: You never kill civilians for the sake of killing civilians. But you never refrain from killing civilians if it's essential to defeat the enemy.

(END VIDEO TAPE)

TODD: Scheuer says, if anything, U.S. and NATO forces have not been aggressive enough. He says the Taliban won't be defeated in Afghanistan unless more force is applied, and inevitably, he says, there will be more civilian casualties -- Wolf.

BLITZER: Why are there so many civilians now being caught in the crossfire?

TODD: Well, a journalist there tells me that several -- in several of these battles NATO-led forces have been very quick to call in air support and some casualties have occurred because of that.

But Michael Scheuer also says that in a lot of these battles, the Taliban often fights from positions right in the middle of these civilian villages and he says some of those civilians killed are relatives of Taliban fighters who they've brought with them.

BLITZER: Brian Todd reporting on a significant story.

Thank you.

Brian is going to stay on top of that story for us.

A war gone wrong has thrown one of America's closest allies into a major upheaval. An inquiry commission in Israel blames top leaders for failures in last summer's war in Lebanon against Hezbollah.

And if President Bush thinks his approval ratings are bad, Prime Minister Ehud Olmert now stands -- get this -- at 0.

CNN's Atika Shubert is in Jerusalem -- Atika.

ATIKA SHUBERT, CNN CORRESPONDENT: Wolf, the pressure is ratcheting up on Prime Minister Olmert. Now, members of his own party and critical members of his cabinet are openly rebelling against him.

(BEGIN VIDEO TAPE)

SHUBERT (voice-over): Israel's foreign minister, Tzipi Livni, has made it clear. She is asking Prime Minister Ehud Olmert to resign.

"In my meeting, I expressed my opinion that resignation is the correct thing as far as he is concerned," she said.

That is a major blow to Olmert. She is a popular politician, a leading member of Olmert's Kadima Party and a critical member of his government.

So far, Olmert shows no signs of quitting.

He said: "To those who are eager to take advantage of this report to reap certain political advantage, I suggest slow down."

It would take 61 members of Israel's parliament, the Knesset, to oust the prime minister and dissolve parliament for new elections.

(END VIDEO TAPE)

SHUBERT: At this point, Olmert has no public support to appeal to. According to newspaper polls, more than 65 percent want him to resign and it could all come to a head on Thursday, when tens of thousands are expected to hit the streets, demanding that he step down now -- Wolf.

BLITZER: All right, Atika, thanks very much.

Atika Shubert in Jerusalem for us.

Let's check in with Jack Cafferty.

He's got The Cafferty File -- Jack, think about this before you get to your question.

Ehud Olmert, the prime minister of Israel, his job approval number down now in the low single digit. And if you factor in the margin of error, it could be negative -- below zero.

JACK CAFFERTY, CNN CORRESPONDENT: Well, it's interesting to me that Israel gets involved in a failed war and the government and the citizens of that country hold their leaders responsible and are taking steps to kick them to hell out and get somebody else to run the country.

BLITZER: The chief...

CAFFERTY: What a cool idea.

BLITZER: The chief of staff of the Army resigned. The defense minister is under enormous pressure. And Olmert's numbers, as you know, they're -- and the foreign minister, who's in his own party, is now saying he should step down.

CAFFERTY: What'll happen now? Can they -- you said that -- he said they need 61 votes. Can somebody introduce a resolution to toss him...

BLITZER: The public...

CAFFERTY: ... and then they'll vote and...

BLITZER: The public is going to demand that he goes and then there's going to be a fight. Tzipi Livni will be in that fight. Netanyahu will come in from Likud.

Maybe...

CAFFERTY: But Olmert's gone, right?

BLITZER: Yes, I think -- I think everybody agrees that his days as prime minister are probably numbered.

Ehud Barak, the former prime minister, is running to lead the Labor Party. But that's inside Israeli politics.

CAFFERTY: Yes, no, no. I understand. I'm just -- I'm just making some mental notes in conjunction with another democracy and the way they're handling a failed war.

It seems like women are often the toughest critics of their own gender and politics is no exception. The Associated Press reports that women sometimes set exceedingly high standards for female candidates.

This could be a problem for Hillary, who wants to become the first woman ever elected president of the United States.

Some people think that's because women expect the first female president to be perfect and want to hold her to a higher standard. Not that recent standards have been that much to write home about. Higher expectations can translate into greater scrutiny, as well.

The Associated Press analyzed recent election data and found that gender matters more for women than for men when it comes to picking a president.

The analysis also shows women are more likely to vote -- vote for and dismiss someone just because she's a woman. One adviser to Clinton says that voters see women candidates in a more personal way, which can be frustrating when they want voters to focus on their ideas instead. She says because people are used to seeing men run for president, they don't pay attention to things like their hair, hem lines and spouses, although if any of the men showed up with a hem line, I suppose we would be taking notice.

The question is this -- why would women be tougher on a female candidate for president than men are?

E-mail caffertyfile@cnn.com or go to cnn.com/caffertyfile.

What do you think about that... Wolf.

BLITZER: I think it's a good question and I'm anxious to hear what our viewers think about it, Jack.

Thank you very much.

CAFFERTY: Did you ever play dodge ball?

BLITZER: Yes, in junior high.

Thank you.

Up ahead, the former CIA director, George Tenet, answering critics who say he helped mislead this country into the war in Iraq.

(BEGIN VIDEO CLIP)

GEORGE TENET, FORMER CIA DIRECTOR: They also have said I have blood on my hands.

BLITZER: Yes, they do.

TENET: And let me say something. That's the most repugnant thing I've ever heard.

(END VIDEO CLIP)

BLITZER: But is he sorry for the bad intelligence he provided the president, the country?

I'll ask him directly in my one-on-one interview.

Also, Secretary of State Condoleezza Rice warning the Middle East has "everything at stake in Iraq." We'll have details of her critical mission to the region right now.

Plus, banned or not -- we're going to show you what's at the heart of a dispute between the U.S. Army and singer Joan Baez. You're going to want to see this.

Stay with us. You're in THE SITUATION ROOM.

(COMMERCIAL BREAK)

BLITZER: A furious battle is raging over just how America was led into the war in Iraq. The top U.S. intelligence official at the time says he's been turned into a scapegoat.

Others, though, accuse him of having blood on his hands.

BLITZER: Joins us now, the former director of the CIA, the author of the new book "At The Center of the Storm: My Years At The CIA," George Tenet.

Director, thanks for coming in.

TENET: Thank you, Wolf.

BLITZER: We've got a lot of questions to go through. We'll start right now with one shocking claim you make in the book -- and there are many. But this one really sticks out: "There was never a serious debate that I know of within the administration about the imminence of the Iraqi threat in advance of the war, the U.S. war against Saddam Hussein's regime."

What do you mean there was no debate about the imminence? Was there an imminent threat from Saddam Hussein?

TENET: Well, it was never about imminence, Wolf. It was about the prospect of surprise. And in reflect -- and people have said, well, there were meetings that I didn't know about, and that's entirely possible.

I'm making a more fundamental strategic point. If you look at how we ultimately fought and implemented the war, I think better questioning at the front end on how war fighting translated into peacekeeping, stabilization and ultimately rebuilding the country, that kind of integrated questioning, I think, could have been done a lot better than it was.

BLITZER: But did he represent an imminent threat to the United States?

TENET: Well, as I said at Georgetown in 2004, not imminent, but surprise. Atika -- the question that policymakers grappled with -- would he surprise us in a way that limited our ability to respond?

BLITZER: Because I want you to listen to what Colin Powell, the then secretary of state, said at the United Nations with you sitting right behind him in advance of the war.

Listen to this.

(BEGIN VIDEO CLIP)

COLIN POWELL, SECRETARY OF STATE: Leaving Saddam Hussein in possession of weapons of mass destruction for a few more months or years is not an option -- not in a post-September 11th world.

(END VIDEO CLIP)

BLITZER: All right, now when he says a few more months, that sounds imminent to me.

TENET: Well, I think everybody understood, Wolf, we said he had chemical and biological weapons and the means to deliver them. I think that the preponderance of our view was this was a question of surprise and would we be surprised?

And the real issue for us always was there was a lot of we didn't know and we always believed, on the basis of our history with him, that what we didn't know posited greater capability.

Of course, we found out that we were wrong, but that was, you know, history, deception, denial -- many reasons why we were wrong. But we believe what we wrote.

BLITZER: Because on this specific point, when I heard the words "a few more months" -- and I'm sure most people who were listening to Colin Powell at that time -- it sounded like -- it sounded like it was -- the clock was ticking and the United States had to get rid of Saddam Hussein right away.

TENET: Well, Wolf, the policymakers believed there was risk in waiting and they took those actions.

BLITZER: He is another point that certainly came out, the WMD, that the U.S. intelligence community, the best in the world, was so wrong on these issues. And that was the major reason that at least was justified for the war in Iraq, the National Intelligence Estimate that you approved basically concluded -- and I'll just read the headline of it -- "Iraq's Continuing Programs of Weapons of Mass Destruction."

You concluded there were chemical stockpiles, biological stockpiles. This was a damning indictment that justified going to war.

TENET: Well, Wolf, we -- we -- we followed Iraq's weapons programs for 10 years. I had followed them in the Clinton administration and in the Bush administration. Our analysts wrote what we believed. We made our best judgments. We made our best assessments. We turned out to be wrong for many reasons that go to the heart of our tradecraft. It's no solace that every other country in the world believed it, as well.

But at the end of the day, once we got on the ground, you know, you -- the truth seemed so implausible, why someone would risk the destruction of his country, why someone would risk so much, and yet when we looked at his deception and denial and his procurement, we came to those conclusions.

We came to those conclusions based on what we really believed.

So people -- nothing disingenuous about the process.

BLITZER: It wasn't just the weapons of mass destruction that was so powerful in making the case for going to war against Saddam Hussein. It was the nuclear potential -- the mushroom cloud, as Condoleezza Rice spoke about it, as the president spoke about it -- you don't want that mushroom cloud to be the smoking gun.

TENET: Well, Wolf, the National Intelligence Estimate said five to seven years away with moderate confidence. Now, policymakers may have, at the time, remembered what happened in 1991, when we said they were years away and when we got on the ground they said we found out that they were months away.

But in any event, what the National Intelligence Estimate said was five to seven years.

BLITZER: But it also said in its key judgments -- and I'll read it to you -- it said: "Since inspections ended in 1998, Iraq has maintained its chemical weapons effort, energized its missile program and invested more heavily in biological weapons. In view of most agencies, Baghdad is reconstituting its nuclear weapons program."

TENET: Right.

BLITZER: Now, that sounds like they're building a bomb.

TENET: Well, reconstitution is something we should have been much more careful about talking about. But the Estimate also says five to seven years away. It's interesting, we had a big debate on the nuclear tubes, you'll recall. Even the Department of Energy, who didn't buy into the nuclear tubes, signed up to the judgment that said he is reconstituting his nuclear weapons program.

BLITZER: And Colin Powell went further, though, when he told the world at the United Nations this.

Listen to this.

(BEGIN VIDEO CLIP)

POWELL: Saddam Hussein is determined to get his hands on a nuclear bomb.

(END VIDEO CLIP)

BLITZER: You authorized that. You were sitting right behind him.

TENET: There's no -- there's no doubt about the fact that he was determined to get there. Even -- even David Kay, in his first report, said we should remove all doubt about the fact that he intends to acquire a nuclear capability.

As to his intent, the Secretary was right.

BLITZER: The intent, but it was still a long way off and there was no imminent prospect...

TENET: His determine...

BLITZER: ... that he was going to have a nuclear bomb.

TENET: Well, you know what we were all worried about -- you know, we talked about -- there is much about his programs that we don't know and when we wrote that estimate, our concern was what we don't know is going to cause us to be surprised.

BLITZER: In addition to the WMD, which you were wrong on that, right? The nuclear -- I guess you could misinterpret the words, but to the average person out there, it sounded like Saddam Hussein was getting very close to getting a nuclear capability. TENET: Sure.

BLITZER: The other argument was the connection between Saddam Hussein, his regime and al Qaeda that caused, especially in the post- 9/11 era, a huge amount of concern. And there was a sense you've got to get rid of Saddam because of his connection with al Qaeda.

TENET: The intelligence community and our -- and the CIA specifically outlined three areas of concern. We had concerns about contacts. We had concerns about training. We had concerns about the safe haven that had been provided to the Ansar Al-Islam in northeastern Iraq, where, of course, the Iraqi government didn't control.

We were also very explicit about the fact that we didn't believe this was anything more than two organizations seeking to take advantage of each other. We saw no capacity, authority, direction and control on the part of Iraq for al Qaeda attacks.

So you had concerns. The concern we have is, is later on in this process...

BLITZER: That's a much more nuanced...

TENET: Well, but...

BLITZER: ... explanation.

TENET: But it is...

BLITZER: But in your letter to the Senate Intelligence Committee...

TENET: Yes, right.

BLITZER: ... and you once worked for the Senate Intelligence Committee -- it seemed pretty blunt. It seemed pretty obvious.

TENET: We talked about the contacts, training and safe haven. In my testimony -- in my testimony to the Senate Intelligence Committee, the Foreign Relations Committee and the Armed Services Committee, I also gave the judgment that I just gave you.

Unfortunately, in that one letter, it fell out...

BLITZER: Let me read to you...

TENET: ... not intentionally.

BLITZER: Let me read to you what you told, because I remember reading this and I -- I concluded at the time, like a lot of the senators who voted for the authorization -- there is a connection there and it's in this post-9/11 era, Saddam Hussein is working with Osama bin Laden.

Let me read to you what you wrote. TENET: All right.

BLITZER: These are your words: "We have solid reporting of senior level contacts between Iraq and al Qaeda going back a decade. credible information indicates that Iraq and al Qaeda have discussed safe haven and reciprocal non-aggression. Since Operation Enduring Freedom" -- the war in Iraq -- "we have solid evidence of the presence" -- excuse me, in Afghanistan -- "we have solid evidence of the presence in Iraq of Al Qaeda members, including some who have been in Baghdad. We have credible reporting that Al Qaeda leaders sought contacts in Iraq who would help -- who could help them acquire WMD capabilities."

And listen to this. This is -- these are your words: "The reporting also stated that Iraq has played -- has provided training to al Qaeda members in the areas of poisons and gasses and making conventional bombs"...

TENET: Yes, and we...

BLITZER: Now, to the average person...

TENET: Right.

BLITZER: ... reading that...

TENET: And it was a source of concern to me.

BLITZER: ... it looks like Saddam Hussein and Osama bin Laden...

TENET: Right.

BLITZER: ... are in bed.

TENET: Well, you have to -- you have to get to the subordinate clause and you have to also make clear the ultimate judgment. We didn't in that letter, but we did in all of our testimonies, in all of the papers that we presented. The Senate Intelligence Committee evaluated our work here, said that we were reasonable in the judgments we made.

The issue, for me, Wolf, is all of those things were causes of concern and yet some tried to posit operational control and command legitimacy that we never saw, and that became an issue.

BLITZER: Do you regret writing this letter?

TENET: We -- we would regret not having that clause that was -- that I talked about that was in all of our testimonies and every paper that we wrote. We were -- we were sloppy in that letter.

But everybody understood -- on the question of authority, direction, control and capacity -- we were never there.

BLITZER: Because that seems like a nuance. You know, there's a lot of anger... TENET: Well, it's not -- it's not a nuance. It's an important issue.

BLITZER: But these words are pretty blunt...

TENET: Well, and...

BLITZER: ... poison gases...

TENET: It's what -- it's what we...

BLITZER: ... conventional bombs.

TENET: And it's what we believed.

BLITZER: All right.

Here's an excerpt from this very damning critique from retired CIA officers. They wrote a letter to you after your book came out. Among other things, they say this: "By your silence, you helped build the case for war. You betrayed the CIA officers who collected the intelligence that made it clear that Saddam did not pose an imminent threat."

And then you went -- they go on to say: "Instead of resigning in protest when it could have made a difference in the public debate, you remained silent."

TENET: Well...

BLITZER: What do you want to say...

TENET: Well, this...

BLITZER: ... to these angry CIA officers...

TENET: Well...

BLITZER: ... who think you should have resigned?

TENET: Well, first of all, Wolf, there are other officers who have a sharply different view, and maybe you'll talk to them. Other officers...

BLITZER: We have another letter from them...

TENET: ... who (UNINTELLIGIBLE). But let me...

BLITZER: ... who support you.

TENET: But let me say this. They also have said I had blood on my hands.

BLITZER: Yes, they do.

TENET: And let me say something. That's the most repugnant thing I have ever heard. We woke up and I woke up every day to protect men and women in uniform. They sat on this show and said that we had reporting from a source that said he didn't have WMD.

They mischaracterized that reporting. That reporting said he doesn't have a nuclear weapon, but he's developing one covertly and aggressively. He's stockpiling chemical weapons. The weapon of last resort is mobile missiles with chemicals and he's dabbling in -- in biological weapons.

So, the implication is, is that we fed phony information to the president. We didn't.

The implication is, is that when the post-war situation emerged, that we didn't speak truth to power and tell the president exactly what was happening on with an insurgency, why de-Baathification, disbanding the Army and other issues, were not being pursued in a way we believed, and how an insurgency was going to develop.

The notion -- the notion that we didn't speak truth to power, didn't tell people what we believed in the confines of government...

BLITZER: He...

TENET: Look, I was the director of Central Intelligence. My job is to do the best I can to give people the best data possible. Policymakers make their decisions.

I know that we acquitted our responsibilities consistent with our values.

BLITZER: You met with the president almost every single morning. You briefed him on overnight developments, told him what the threats were. You had an opportunity to speak directly to the president and if you didn't think it was worthwhile going to war against Saddam Hussein, you clearly could have made that case.

TENET: Wolf, the job of the director of Central Intelligence is to provide data, not to make policy. The minute...

BLITZER: You didn't have to make policy...

TENET: No, no, no...

BLITZER: ... but you could tell the president...

TENET: No. The minute...

BLITZER: ... you know...

TENET: The minute...

BLITZER: ... there's no imminent threat from Saddam Hussein. He's contained...

TENET: It was never a...

BLITZER: ... in his box...

TENET: It was never a question...

BLITZER: ... the no fly zones are working. There is no need to go to war.

You could have said that to the president.

TENET: Wolf, our job is to tell them what we believe and what the intelligence shows. Once you cross the line, your objectivity then becomes questioned. Your analysis then becomes questioned. It's a line that I adhere to.

Now...

BLITZER: Should you have said -- spoken to the president more bluntly, though?

If you felt as strongly as you did that there were no imminent threat, should you have said, Mr. President...

TENET: It was never...

BLITZER: ... I've got to tell you...

TENET: ... ever been...

BLITZER: ... I see all of this intelligence...

TENET: Wolf...

BLITZER: ... there -- some of it is good, some of it is questionable.

TENET: Wolf, there was not a question of imminence. It was always the question of surprise. Policymakers made a determination on the fact that they didn't want to be surprised. Everybody understood the nature of this threat. That's the determination they made.

Illogical?

Not illogical. Their job to make that choice. My job to provide the data.

BLITZER: Here's what Senator John Kerry says today: "No White House should ever have bullied the director of the CIA to make a case for a war that he knows isn't true and no White House should reward it with the Medal of Freedom. George Tenet never should have received the medal in the first place."

That's Senator John Kerry.

TENET: Well, you know, I respect Senator Kerry. I disagree with him. The president made that determination. The president gave me that medal for our work on terrorism in Afghanistan and post-9/11, for the work the men and women of CIA did. I thought about the medal. I understood the context. I thought that rewarding our people for the work they had done was the right thing to do.

BLITZER: Should you give back that medal?

TENET: I would never give back that medal.

BLITZER: Should you donate at least some of the proceeds, the royalties from the book, to the families of killed and injured U.S. troops?

TENET: Wolf, my family and I have looked after people all our lives. I will continue to find ways to look after people. I'm the chairman of the CIA Memorial Foundation. We work to provide assistance to the families of officers who have been killed and I will continue to do what I think is good for people for the rest of my life.

(END VIDEO TAPE)

BLITZER: And coming up, we'll have more of my one-on-one interview with the former CIA director, George Tenet.

Did U.S. intelligence agencies go too far after 9/11?

You're going to be interested to hear what he has to say.

Also, Ronald Reagan's private diaries offering some stunning new details and a few surprises.

Plus, details of the dispute between the singer, Joan Baez, and the U.S. Army. Find out why she says she was banned from a concert for wounded troops.

Stay with us. You're in THE SITUATION ROOM.

(COMMERCIAL BREAK)

BLITZER: To our viewers, you're in THE SITUATION ROOM.

Happening now, the secretary of state, Condoleezza Rice, warning the Middle East has "everything at stake in the outcome in the war in Iraq."

The embattled World Bank president Paul Wolfowitz says he's confident the scandal swirling around him won't hurt the bank's work. An ethics panel is investigating his handling of a promotion and a raise for his girlfriend, a World Bank employee.

And a record for the Dow. It's on its longest winning streak since 1955.

I'm Wolf Blitzer. You're in THE SITUATION ROOM.

Desperate to find and stop terrorists, did U.S. intelligence agencies go too far after 9/11?

More now of my interview with the former CIA director, George Tenet.

(BEGIN VIDEOTAPE)

BLITZER: I have to ask you a question on allegations the CIA, your agency, engaged in torture. You've said there was no torture. You won't describe what the "enhanced interrogation techniques" used against al Qaeda suspects involved.

But Khalid al-Masri, a German citizen born in Lebanon, he wrote a piece in the "L.A. Times" saying this: "I was handed over to the American Central Intelligence Agency and was stripped, severely beaten, shackled, dressed in a diaper, injected with drugs, chained to the floor of a plane and flown to Afghanistan..."

Is that true?

TENET: I don't believe what he says is true. But let me say this. Let me say this about this whole torture question. In the after math of 9/11, we lived with a palpable fear of how much we did not know about what was going on in our country.

Senator McCain started a great debate here. Here's what I would ask people. I know that the program we engaged in saved lives, thousands of lives. I know it helped us against al Qaeda.

Policymakers, the president, the Congress determine where you want to be in the moral continuum. We are a country of laws and a country of values. Tell us where you want to be. Make it very, very clear to us. Have consensus on it.

Don't let the pendulum swing back and forth. Give you intelligence community clear instructions, and we'll follow them.

BLITZER: In a war, if American POWs were exposed to the same "enhanced interrogation techniques" that these expects were exposed to, would that be appropriate?

TENET: Well, you never -- look, Wolf, I would never -- I don't know what they'd be exposed to. And I don't want to talk about techniques. Here's the only thing I would say to you again.

Make a determination of where you want us to be. Tell us what the right thing to do is. We'll do it.

I know that in that time period after 9/11, we understood the risks. We understood we were on new territory. The president authorized. The attorney general said it was legal.

We briefed the chairman and ranking member of our oversight committees. Nobody was hiding anything. We were in a -- we were in a tough environment.

If you don't want to do it, that's fine with us.

BLITZER: One example. Could you give us one example? Because you say it saved thousands of lives. These techniques? Can you give us an example?

TENET: Well, we found out about additional airline plots against the East and West Coast of the United States.

BLITZER: Thanks to these techniques?

TENET: Thanks to these techniques. We found out about that surveillance of financial institutions in New York thanks to these techniques. We found out about plots in Karachi thanks to these techniques. We identified people we never knew about who were planning further terrorist attacks against the United States thanks to these techniques.

BLITZER: So if you had to do the techniques over again, you'd do them?

TENET: Well, it's not that you would do them. If you're authorized and it's legal and it's briefed -- and we play in a system of laws and governance. It's not just us.

You know, in the time period that I lived in, and the threats that we faced, and the issues we were dealing with, and -- Wolf, where are you going to be if you're holding someone who you know is coming to kill you and your family tomorrow afternoon, and you didn't do what you thought you needed to do to get the data? What would you be saying to me today?

You would be saying me, you didn't do your job and you didn't save lives. Well, that's extreme, isn't it? Well, that's what we were living with at the time.

BLITZER: And you say al Qaeda is still here in the United States, plotting an even more spectacular attack?

TENET: Wolf, I say I don't know it. I can't prove it. My operational instinct is that this is the enduring target for them. That when 9/11 happened, one wave of terrorists came in.

They're a savvy intelligence organization. I don't know it, but my instinct tells me more people came here to settle and be patient and see whether we have the wherewithal and the vigilance to keep a system of domestic protection in place to deter them.

I worry about it. We're still the brass ring. They are determined to hurt us, commensurate with our standing as a superpower. That's what they want to do.

BLITZER: The book is entitled "At the Center of the Storm: My Years at the CIA". George Tenet, with Bill Harlow.

Thanks very much for coming in, Director.

TENET: Thanks very much, Wolf.

(END VIDEOTAPE) BLITZER: And coming up, the folk singer Joan Baez accusing the U.S. Army of banning her from a concert for U.S. troops. But the military has a very different story. We'll have both sides coming up.

Also, the great communicator, President Ronald Reagan. Excerpts of his personal diary now going public. You're going to be surprised to hear some of this.

Stay with us. You're in THE SITUATION ROOM.

(COMMERCIAL BREAK)

BLITZER: There's a growing controversy involving the folk singer Joan Baez and the U.S. Army. She wasn't able to perform at a concert for wounded troops. The question is, why?

Let's turn to our senior Pentagon correspondent, Jamie McIntyre.

Jamie, what are both sides saying?

JAMIE MCINTYRE, CNN SR. PENTAGON CORRESPONDENT: Well, Wolf, Joan Baez clearly thinks she was persona non grata on the Walter Reed campus, but the Army insists it was nothing personal.

(BEGIN VIDEOTAPE)

MCINTYRE (voice over): John Mellencamp won praise for how at his Friday night concert for wounded troops at Walter Reed he stuck to singing and muzzled his criticism of the Iraq war. But his friend, antiwar activist Joan Baez, has put politics back on center stage with a letter to "The Washington Post" alleging she was banned from appearing at the event at the last minute.

Baez writes that while she stands as firmly against the Iraq War as she did the Vietnam War, she regrets having ignored the needs of returning veterans and realizes now she might have contributed to a better welcome home. And she calls it a "strange irony" that four days before the concert she was not approved by the Army to take part.

The Army insists there's nothing strange about it. They simply didn't know Joan Baez and Dan Rather were also invited to appear until after a contract with HDNetwork, which was broadcasting the concert, had been finalized.

A spokesman for Walter Reed told CNN, "The notion Ms. Baez was 'banned' is certainly not the case. She is welcome here. I don't know of anybody who is banned."

A spokesman for Mellencamp confirmed to CNN that Joan Baez' name was not submitted until the Monday before the Friday concert, but said that's when they had planned to deal with specifics. The Army insisted

that was simply too late to change the complicated arrangements.

Joan Baez sings a duet with Mellencamp on his current album, "Freedom's Road". At the concert he simply dedicated that song to his friend Joan without any fanfare.

(END VIDEOTAPE)

MCINTYRE: Now, Wolf, a spokesman for John Mellencamp, Bob Murla (ph), said it doesn't appear that there's any political litmus test to get into Walter Reed. In fact, he noted that Mellencamp himself was against the war and "they let him in" -- Wolf.

BLITZER: Jamie, thanks very much.

Jamie McIntyre at the Pentagon.

Up ahead, the diaries of Ronald Reagan. Our Frank Sesno has the excerpts. Stay with us for that.

And later, the Republican presidential hopefuls revealing what they'd want to have with them if stranded on a desert island. We're going to tell you who has the most practical answer.

We'll be right back.

(COMMERCIAL BREAK)

BLITZER: Today perhaps we're getting our best look yet inside the mind of former president Ronald Reagan. "Vanity Fair" magazine is just out with exclusive excerpts from a new book based on handwritten diaries the president kept during his years here in Washington.

Our special correspondent, Frank Sesno, covered Ronald Reagan's presidency for CNN.

Frank, any big surprises?

FRANK SESNO, CNN SPECIAL CORRESPONDENT: Well, yes, a few.

The diaries reveal Ronald Reagan, Wolf, really in stunning detail. And they show that he was far more engaged than many of his critics thought.

(BEGIN VIDEOTAPE)

RONALD REAGAN, FMR. PRESIDENT OF THE UNITED STATES: I, Ronald Reagan, do solemnly swear...

SESNO (voice over): The actor-turned-president started keeping a diary the day of his inauguration in 1981, and almost never skipped a day. The entries ranging from the profound to the mundane. There's humor and emotion throughout.

He writes of driving through throngs in New York. "I wore my arm out waving back to them. I pray constantly I won't let them down."

An assassination attempt nearly killed him. The president remembers, "I walked into the emergency room and was hoisted onto a cart where I was stripped of my clothes. It was then we learned I'd been shot and had a bullet in my lung. Getting shot hurts."

The diaries are filled with references to politics and politicians, terrorism and tax cuts. Of the dramatic 1986 summit with Soviet leader Mikhail Gorbachev, when both countries' nuclear arsenals were on the table, Reagan writes about his refusal to kill Star Wars, his dream of a shield against incoming missiles.

"I pledged I wouldn't give away SDI, and I didn't. But that meant no deal. I was mad. He tried to act jovial, but I acted mad and it showed."

There is much, much more. The diaries reveal rifts with his children. One time, his son Ron hung up on him. "End of a not perfect day."

After his daughter Patty screamed about the Secret Service protection invading her privacy, he wrote, "Insanity is hereditary. And you catch it from your kids."

But something is constant. His devotion to Nancy shines through again and again. This entry from 1981: "Our wedding anniversary, 29 years of more happiness than any man could rightly deserve."

(END VIDEOTAPE)

SESNO: And Nancy has custody of her husband's diaries now. They're the only daily presidential diaries in American history. She let historian Douglas Brinkley edit and abridge them. The result, the Reagan dairies will be published in about three weeks -- Wolf.

BLITZER: Do these diaries surprise you as someone who covered that whole era?

SESNO: And been to the Reagan Library and read his private documents. Yes and no.

Yes, they surprised me in their detail. They are so rich with specifics of what was happening one day to the next.

No. We know he was a prolific writer. We know he may have written as many as 10,000 letters to ordinary citizens during his presidency.

BLITZER: What struck you as most poignant in the excerpts you've seen?

SESNO: Wolf, I think what struck me as I read these excerpts that were most poignant is his writing around the Beirut barracks bombing in 1983 -- 241 American servicemen lost their lives ultimately in that. He wrote, "We all believe the Iranians did this bombing." A day later he wrote, "Lebanon gets worse as the death toll climbs."

But where you really see it is after he came back from a memorial service with the families. He writes this: "Sometimes the widows or mothers would just put their arms around me, their head on my chest and quietly cry. One little boy, 8 or 9, politely handed me a manila folder, saying it was something he had written about his father. Later, when I could read it, I found it was a poem entitled 'Loneliness.'"

It almost chokes you up to read this.

You know, after the bombing, after the barracks bombing, Reagan stood firm and said, "America's not leaving." Four months later, we were out.

BLITZER: Frank Sesno, our special correspondent.

Thanks very much.

Up ahead, Jack Cafferty and your e-mail. Why would women be tougher on a female candidate for president?

And in our 7:00 p.m. Eastern hour, he made headlines as he came out as the country's first gay governor. You're probably going to be surprised at what Jim McGreevey wants to do now. That's coming up in our 7:00 p.m. Eastern hour.

(COMMERCIAL BREAK)

BLITZER: Lou Dobbs getting ready for his show that begins right at the top of the hour. He's also getting ready for a primetime special at 8:00 p.m. Eastern.

First of all, what are you working on at the top of the hour, Lou?

LOU DOBBS, HOST, "LOU DOBBS TONIGHT": Wolf, thanks.

We're coming to you live from Hazleton, Pennsylvania, tonight. Here for a special report at 8:00 p.m. Eastern on CNN, "Broken Borders".

Coming up at the top of the hour on "LOU DOBBS TONIGHT," we'll be reporting on new efforts for the White House and congressional Democrats to reach a compromise on war funding. Will Democrats drop their demand for a timetable for withdrawal? House majority leader Congressman Steny Hoyer is among our guests tonight.

Also tonight, our food supply at risk from dangerous imports. The federal government cutting the budget and staff for food inspections. And incredibly, the man in charge at the FDA says, don't worry, our food safety system isn't broken.

We'll have that special report.

And Congress, with the full support of the Bush administration, is determined to impose illegal alien amnesty on American citizens. Two lawmakers have introduced that amnesty legislation. Congressman Jeff Flake and Congressman Luis Gutierrez are among our guests.

We hope you'll join us for that, a great deal more, all the day's news, at 6:00 p.m. Eastern, at the top of the hour. Wolf, back to you.

BLITZER: And very quickly, Lou, why Hazleton, Pennsylvania?

DOBBS: Hazleton, Pennsylvania, Wolf, is at the epicenter, and a metaphor, really, for all of the communities in this country trying to deal with the impact of illegal immigration. A problem, a crisis, really, across the nation.

Hazleton has been among the first to pass ordinances to limit hiring of illegal aliens and providing housing for illegal aliens. That case in court.

We're going to meet with the entire community here. All views will be represented in that special report coming up at 8:00 p.m. tonight.

BLITZER: Sounds good, Lou. Thanks very much.

Let's check in with Jack Cafferty. He's in New York -- Jack.

JACK CAFFERTY, CNN ANCHOR: The question this hour, Wolf, is why would women be tougher on a female candidate for president?

Ernest in New York, "Women know that if a female makes it to the White House, and she happens to mess up during her time as president, that women will never be thought of as capable of anything besides a good muffin recipe. It will do for women's rights what Cochran did for black-white relations in the O.J. trial, set it back 50 years."

Pam in Connecticut writes, "Hi, Jack. I really don't believe women are tougher on another woman. As a woman, I've always believed that females are better candidates for political office. The lack of testosterone keeps the aggression at bay; thereby letting them think with their brains instead of their male counterparts who tend to think with other parts of their anatomy."

Jane in Texas, "Women expect more from a female candidate because they simply don't expect much at all from a man."

Ouch.

Marie in Florida, "I think women are intimidated by a woman in power, especially those raised in an era when women didn't hold such positions. Such a strong woman may invalidate the lives they lead, particularly those who have sacrificed their education and careers for their spouses and families."

Barbara in Arizona writes, "One standard I respect is a woman who leaves an abusive husband. In Hillary's case, she sets a bad example for abused women. Had she left Bill, as a woman I would have some respect for her. She shows poor judgment."

Sarah writes, "I don't know why, but men have had their chance since 1871. And look where we are now." And Guy in Michigan writes, "Jack, every woman knows exactly what every other woman is thinking at all

times. They are telepathically linked with each other. That's why if several women were locked in a room together, homicide would occur."

If you didn't see your e-mail here, you can go to cnn.com/caffertyfile. We post a bunch more of these online, and there are also video clips of this if you're having trouble disciplining your dog -- Wolf.

BLITZER: A very popular feature with our viewers, Jack. Thank you.

Coming up next, if you were trapped on a desert island, what would you want with you? Find out how the Republican presidential candidates responded.

Stay with us. We'll be right back.

(COMMERCIAL BREAK)

BLITZER: Stranded on a desert island, what one item would you want? We have the answers from the Republican presidential candidates. And some are quite revealing. That's coming up next.

(COMMERCIAL BREAK)

BLITZER: If you were going to be stranded on a desert island, what would you want to bring? The Associated Press put that question to presidential candidates.

Last hour we showed you what the Democrats said. This hour, the Republicans.

Former New York City mayor Rudy Giuliani says a book and some music. Senator John McCain of Arizona says just books. Former Massachusetts governor Mitt Romney says he'd bring his wife, as did Congressman Duncan Hunter.

Former Arkansas governor Mike Huckabee wants a laptop with satellite reception. And get this -- Congressman Tom Tancredo of Colorado, his desert island necessity? A boat.

Smart.

We're here in THE SITUATION ROOM weekday afternoons, 4:00 to 6:00 p.m. Eastern, back for another hour in one hour at 7:00 p.m. Eastern.

Until then, thanks for joining us.

"LOU DOBBS TONIGHT" starts right now.

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